VZCZCXRO7481 OO RUEHCHI RUEHCN RUEHDT RUEHHM DE RUEHBK #0114/01 0151001 ZNY CCCCC ZZH O 151001Z JAN 09 FM AMEMBASSY BANGKOK TO RUEHC/SECSTATE WASHDC IMMEDIATE 5659 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY RUEHBY/AMEMBASSY CANBERRA PRIORITY 9350 RUEHWL/AMEMBASSY WELLINGTON PRIORITY 2562 RUEHKO/AMEMBASSY TOKYO PRIORITY 1312 RUEHLO/AMEMBASSY LONDON PRIORITY 1849 RUEHBJ/AMEMBASSY BEIJING PRIORITY 6682 RUEHUL/AMEMBASSY SEOUL PRIORITY 5203 RUEHCHI/AMCONSUL CHIANG MAI PRIORITY 6075 RHEHNSC/NSC WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY RUEAIIA/CIA WASHINGTON DC PRIORITY RUEKJCS/SECDEF WASHINGTON DC PRIORITY RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 BANGKOK 000114

SIPDIS

E.O. 12958: DECL: 01/15/2019
TAGS: PGOV KDEM KJUS TH
SUBJECT: NEW "THAI PRIDE" PARTY (PHUMJAI THAI) BECOMES
DEMOCRATS' LARGEST COALITION PARTNER

REF: A. 08 BANGKOK 3648 (ABHISIT ELECTED)

1B. 08 BANGKOK 3167 (THAKSIN CONVICTED)

1C. 06 BANGKOK 7285 (BIOGRAPHIC GOSSIP)

BANGKOK 00000114 001.2 OF 003

Classified By: Political Counselor George P. Kent, reason: 1.4 (b) and (d).

SUMMARY AND COMMENT

- 11. (SBU) As legislators from dissolved political parties develop new party affiliations, it appears a faction of former People's Power Party legislators will comprise the second-largest coalition partner of the Democrat Party. This faction, loyal to Buriram politician Newin Chidchob, is at the core of the Phumjai Thai Party, which appears likely to hold at least 30 seats in the House of Representatives -- still an order of magnitude smaller than the Democrat Party (over 170 seats). Phumjai Thai appears to have the support of a number of senior former Thai Rak Thai figures, who appeared at a formal launching ceremony on January 14.
- 12. (C) Comment: By some calculations, the legislators now in Phumjai Thai represent a critical "swing vote," and Phumjai Thai's defection to the opposition could bring down the Democrat-led government. To counter this possibility, the Democrats rewarded Phumjai Thai figures generously for their support in building the current coalition, with the top jobs at the Interior, Transportation, and Commerce ministries, and several other key Deputy Minister positions. Phumjai Thai force could leverage that power to challenge the Thaksin legacy brand, now claimed by the Puea Thai party, in parts of Isaan. The party may soon press for further benefits, possibly including an amnesty that would allow political heavyweights formerly with Thai Rak Thai to formally re-enter politics, though that could create complications and competition that PM Abhisit and his backers would rather avoid. End Summary and Comment.

BACKGROUND ON KINGMAKER NEWIN CHIDCHOB

(a) Prime to the 2005 elections

13. (C) Prior to the 2005 elections, a faction of approximately one dozen politicians based mostly in the northeastern province of Buriram broke away from the Chart

Thai Party and joined then-Prime Minister Thaksin Shinawatra's Thai Rak Thai (TRT). The leader of the faction was Newin Chidchob, a talented Buriram politician with a long-standing negative reputation -- one former TRT figure alleged to us that Newin not only bought votes but also robbed the couriers transporting the cash that others used to buy votes (ref C). The leaders of the 2006 coup d'etat saw Newin as sufficiently dangerous that he was one of four leading political figures detained temporarily in the days after the coup. Prior to the Democrat Party's late-2008 wooing of Newin, Democrat Party spokesman Buranaj Smutharaks, in a meeting with a visiting INR analyst and Poloff, alleged that the Chidchob family had a tradition of gangsterism, with Newin's father -- Chai Chidchob, now the House Speaker -- directly responsible for the murder of at least one political rival in his province.

- ¶4. (C) As a former Thai Rak Thai executive board member, Newin became ineligible to hold political office after the May 2007 dissolution of TRT. But he remained politically active, and he was seen as an effective organizer of pro-Thaksin street protests, working with the organizers of the current "redshirt" pro-Thaksin groups. His ties to Thaksin weakened, however, as he competed with other politicians for influence in the People's Power Party (PPP)-led administration. As one of alleged influential "gang of four" under the PM Samak Sundaravej government, Newin lost out to Somchai Wongsawat and his wife Yaowapa (Thaksin's sister) in the September 2008 struggle to determine Samak's successor.
- ¶5. (SBU) Newin finally deserted Thaksin after the Constitutional Court's December 2 dissolution of PPP, the Chart Thai Party and the Matchima Thippathai Party. A Newin

BANGKOK 00000114 002.2 OF 003

associate told us in early December that Newin had told his faction members not to move directly into the Puea Thai party, but to wait until the formation of a new government, after which they could determine their new political home. In the December 15 House election for Prime Minister (ref A), 31 legislators in Newin's faction voted with the heretofore-opposition Democrats, helping Abhisit clinch a 235-198 victory. (Note: Factions within Thai political parties are informal groupings, so most figures for faction membership are estimates rather than hard numbers. End Note.)

ORIGINS OF PHUMJAI THAI

- 16. (C) The Constitutional Court's December 2 ruling left most MPs from the three dissolved parties adrift. (Executive board members were no longer eligible to hold office, but other members who held seats in the House simply had to register as members of new parties.) The Newin allies in PPP linked up with some other ex-TRT colleagues who, in 2007, had joined the Matchima Thippathai Party. Matchima had at its core northeastern politicians associated with Somsak Thepsutin, a former TRT faction leader who split from Thaksin immediately after the 2006 coup. (Friction between Somsak and Thaksin had been evident even prior to the coup.) Somsak's faction of TRT was, by some estimates, 100-strong, but Matchima, under the inept Prachai Leophairatana, turned in a dismal performance in 2007's election, winning only 11 seats.
- 17. (U) Anticipating their party's dissolution, Matchima figures had formed a backup vehicle, the Phumjai Thai Party, which they formally registered with the Election Commission on November 5, 2008. ("Phumjai Thai" translates roughly as "Thai Pride." The formal Election Commission Romanization of the name is "Bhumjaithai.") Newin's loyalists found it convenient to join Phumjai Thai, and many announced their membership at a January 14 public ceremony. The current Party Leader is Phiphat Phromwaraporn, who ran for election to the House in 2007 as a Matchima candidate but failed to

win a seat. Media accounts credibly claim a leadership change will take place in February, with Interior Minister Chaovarat Chanweerakul likely to take the party's helm.

NUMBERS OF THREE SWING PARTIES

¶8. (U) Legislators from the dissolved political parties had until early February to join new parties; January 15 press reports claimed that Phumjai Thai was home to at least 30 MPs, making it the largest of the Democrat Party's coalition partners. Two other Democrat Party partners are sufficiently large as to also represent "swing votes" in the House, assuming that Democrat Party allies were to split along similar lines as in the December 15 vote for Prime Minister: the Motherland (Puea Paendin) Party should hold 27 seats, assuming preliminary results of the January 11 by-election are certified, though the party split in half in the December 15 PM vote, with 16 supporting Abhisit and 12 supporting the opposing candidate (then party leader Pracha); and Chart Thai Pattana should hold 23.

AGENDA: REHABILITATION?

19. (C) Comment: We have no reason to doubt that most Phumjai Thai MPs -- like many of their counterparts in other parties -- are pragmatic and aim primarily to enhance their own political power, status, and wealth. Publicly, the party vows to push the populist policies initiated by the Thai Rak Thai government and continued, for now, by the new Abhisit administration. Some public disavowals aside, it appears reasonable that the party will push for benefits for its (barely) behind-the-scenes patrons, such as Newin, Somsak, and other former TRT executives. (Several attended the party's January 14 ceremony, although we cannot yet assess the extent of each's involvement with Phumjai Thai.)

10. (C) Comment, continued: The most significant benefit
BANGKOK 00000114 003.2 OF 003

these senior figures might hope for is an amnesty that restores the political rights they lost when TRT was dissolved in May 2007. Without such an amnesty, they remain ineligible to hold office until May 2012, and they have to use relatives, proteges, or other cut-outs to exercise formal influence. Phumjai Thai and the Democrats' other coalition partners would appear to have significant leverage to push for action on this issue, but providing an amnesty would enable powerful, experienced competitors to PM Abhisit to enter the arena. (An amnesty also could raise the sensitive issue of Thaksin's status, though his conviction -- ref B -does put him in a different legal category from most other Thai Rak Thai figures.) For the Democrats, the challenge -one of many -- seems to be how to hold out the prospect of this benefit without actually having to deliver. JOHN